

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7476

BILL NUMBER: HB 1393

DATE PREPARED: Jan 5, 1999

BILL AMENDED:

SUBJECT: Tort claims against governmental entities.

FISCAL ANALYST: Susan Preble

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FUNDS AFFECTED: ☒ **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that a governmental entity or an employee of a governmental entity acting within the scope of the employee's employment is not liable if a loss results from: (1) a decision made by the fiscal body of the governmental entity not to allocate or appropriate funds to be used to adopt or enforce a law, rule, or regulation; (2) the negligent, wanton, reckless, or intentional act of a person under duty of care of the governmental entity that is directed toward the person or property of the person or another person; or (3) a decision made by the governmental entity, with duty of care, not to purchase video monitoring equipment or other communication monitoring equipment.

Effective Date: July 1, 1999.

Explanation of State Expenditures: Passage of this bill would decrease the number of lawsuits filed because it protects governmental entities and employees from liability if a loss results from:

- (1) a decision made by the fiscal body of the governmental entity not to allocate or appropriate funds to be used to adopt or enforce a law, rule, or regulation;
- (2) the negligent, wanton, reckless, or intentional act of a person under duty of care of the governmental entity that is directed toward the person or property of the person or another person; or
- (3) a decision made by the governmental entity, with duty of care, not to purchase video monitoring equipment or other communication monitoring equipment.

By expanding governmental entities' immunity from liability, this bill will prevent parties from recovering damages in a tort action which would decrease the damage awards that a governmental entity would have to pay. The bill would also decrease expenditures associated with litigation.

Explanation of State Revenues:

Explanation of Local Expenditures: See State Expenditures.

Explanation of Local Revenues:

State Agencies Affected: Office of the Attorney General; Department of Correction.